

I oppose this merger on several counts.

1. The proposed merger is just one more in a string of ways that these two companies are ignoring their previous promises and federal requirements on the way in which they provide services. They promised they would not merge, now they propose it. They promised to be strictly satellite, then came begging for earth bound boosters. Those earth bound boosters were granted under strict regulation and they ignored that and built many where they had no permission to do so. They authorized, had built, and marketed units that did not meet standards set up to regulate interference with other services. I was a victim of tuning to a station I thought was local only to here a string of gross obscenities from the Howard Stern show during the morning drive time when many were taking their children to school. I determined it was being radiated from a car near mine on the local road. Out of curiosity I tried to determine which car it was, made a pretty good guess and saw it go almost a half mile away before the signal faded. (I'm a former USAF Electronics Intelligence operator.)

These two companies have a record of a failed business plan requiring bailouts at every step of the road. They attempt to save themselves by being scofflaws. What possible guarantee do we have that they will not continue to ignore the law, beg for special treatment, and eventually ask for Government subsidies to save their sorry butts?

I have heard the analogy of two drunks staggering down the road, too drunk to walk and now asking us to give them our car keys so they can attempt to drive home, Drunk.

If they have a truly viable business plan, then they do not need to merge, if not, they should not be permitted to continue the farce they have created.

2. This is absolutely a matter of creating a monopoly. They are a pay service and not in competition with earthbound radio, IPODS, Walkmans or anything else. If they are permitted to merge, they will have the customers trapped and will be able to do whatever they wish in terms of marketing, monthly charges etc. The Rates they now have and the specials they provide to encourage listenership now will disappear when they have no reason to compete. This will be a disservice to the current subscribers of both services and to any future potential subscribers.

3. These two companies have already defaulted on another promise, to make a dual system radio available to the public. While rumors say they have developed such a system, no such units are available to the public. The transition from the two companies to a merged company will create more chance for decreased service, to those already subscribed, lesser choices for those new and sooner obsolescence of equipment that the current subscribers have purchased. They claim that will not happen, but their record shows that they have yet to keep any of their promises, so why should we expect them to do so now.
4. If this merger is permitted, the bad business plan, poor performance and future problems may still cause the merged company to fail to be profitable. At that point it is no stretch of the imagination that they will come to the government to ask for financial or regulatory bail out. Their mismanagement will result in cost to all of us, even those who have no desire, intent or interest in making use of their services.
5. American values include the free enterprise system. If they can't make it, then let the market decide. Should one of them go under, the other will still have the possibility of competition from new players with better business plans. If they get that close to going under, maybe they will get their act together, create a viable business plan, or be purchased by someone who has such a plan..

In conclusion, this merger is a very bad idea with only the US customer to suffer.

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